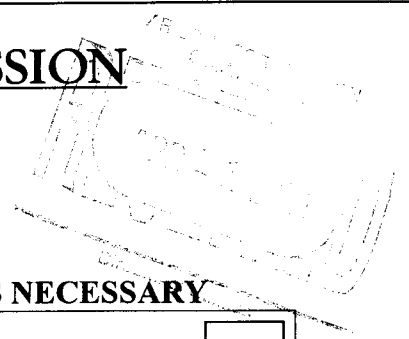


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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION



ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

SW-03389A SEWER ~~TREATMENT~~
SEVEN CANYONS WATER COMPANY
333 N 44TH STREET STE 420
PHOENIX AZ 85008

ANNUAL REPORT

FOR YEAR ENDING

12	31	2000
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FOR COMMISSION USE

ANN 05	00
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COMPANY INFORMATION

Company Name (Business Name) SEVEN CANYONS WATER TREATMENT COMPANY

Mailing Address 333 N. 44th Street, Suite 420,
(Street)

Phoenix

(City)

Arizona

(State)

85008

(Zip)

602-952-8836

Telephone No. (Include Area Code)

602-952-8769

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address cweber@nzbridgefinancial.com or rstolworthy@nzbridgefinancial.com

Local Office Mailing Address 333 N. 44th Street, Suite 420
(Street)

Phoenix

(City)

Arizona

(State)

85008

(Zip)

602-952-8836

Local Office Telephone No. (Include Area Code)

602-952-8769

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address Same as above

MANAGEMENT INFORMATION

Management Contact: NZ Corporation / R. Randy Stolworthy President
(Name) (Title)

333 N. 44th Street, Suite 420

(Street)

Phoenix

(City)

AZ

(State)

85008

(Zip)

602-952-8836

Telephone No. (Include Area Code)

602-952-8769

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address rstolworthy@nzbridgefinancial.com

On Site Manager: None

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Statutory Agent: Jerome L. Joseph

(Name)

333 N. 44th Street, Suite 420

(Street)

Phoenix

(City)

Arizona

(State)

85008

(Zip)

602-952-8836

Telephone No. (Include Area Code)

602-952-8769

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Tim Berg, Fennemore Craig

(Name)

3003 N. Central Avenue, Ste. 2600

(Street)

Phoenix

(City)

Arizona

(State)

85008

(Zip)

602-916-5000

Telephone No. (Include Area Code)

602-916-5621

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☒ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

SEVEN CANYONS WATER TREATMENT COMPANY

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	NOT IN BUSINESS	-- IN PROCESS OF BEING DEVELOPED	
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS			

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME SEVEN CANYONS WATER TREATMENT COMPANY

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS			

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ NONE	\$ NONE
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ NONE	\$ NONE
	FIXED ASSETS		
101	Utility Plant in Service	\$ NONE	\$ NONE
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant		
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ NONE	\$ NONE
	TOTAL ASSETS	\$ NONE	\$ NONE

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME SEVEN CANYONS WATER TREATMENT COMPANY

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ NONE	\$ NONE
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ NONE	\$ NONE
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ NONE	\$ NONE
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ NONE	\$ NONE
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ NONE	\$ NONE
	TOTAL LIABILITIES	\$ NONE	\$ NONE
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ NONE	\$ NONE
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ NONE	\$ NONE
	TOTAL LIABILITIES AND CAPITAL	\$ NONE	\$ NONE

COMPANY NAME SEVEN CANYONS WATER TREATMENT COMPANY

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ NONE	\$ NONE
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ NONE	\$ NONE
	OPERATING EXPENSES		
601	Salaries and Wages	\$ NONE	\$ NONE
610	Purchased Water		
615	Purchased Power		
618	Chemicals		
620	Repairs and Maintenance		
621	Office Supplies and Expense		
630	Outside Services		
635	Water Testing		
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		
403	Depreciation Expense		
408	Taxes Other Than Income		
408.11	Property Taxes		
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ NONE	\$ NONE
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ NONE	\$ NONE
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/EXP	\$ NONE	\$ NONE
	NET INCOME/(LOSS)	\$ NONE	\$ NONE

COMPANY NAME SEVEN CANYONS WATER TREATMENT COMPANY

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$ NONE	\$	\$	\$
Amount Outstanding	\$ NONE	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$ NONE	\$	\$	\$
Current Year Principle	\$ NONE	\$	\$	\$

Meter Deposit Balance at Test Year End \$ NONE

Meter Deposits Refunded During the Test Year \$ NONE

COMPANY NAME

SEVEN CANYONS WATER TREATMENT COMPANY

WATER COMPANY PLANT DESCRIPTION**WELLS**

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
NONE				

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
NONE		

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = NONE

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
	NONE		NONE

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
	NONE		NONE

STATISTICAL INFORMATION

Total number of customers	<u>NONE</u>
Total number of gallons sold	<u>NONE</u> gallons

COMPANY NAME SEVEN CANYONS WATER TREATMENT COMPANY

YEAR ENDING 12/31/2000

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2000 was: \$ NONE

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. Seven Canyons Water Treatment Company is not billed
for property taxes.

COMPANY NAME	SEVEN CANYONS WATER TREATMENT COMPANY	YEAR ENDING 12/31/2000
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INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	NONE
Estimated or Actual Federal Tax Liability	NONE

State Taxable Income Reported	NONE
Estimated or Actual State Tax Liability	NONE

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>NONE</u>
Amount of Gross-Up Tax Collected	<u>NONE</u>
Total Grossed-Up Contributions/Advances	<u>NONE</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

DATE

R. Randy Stolworthy	President
PRINTED NAME	TITLE

COMPANY NAME SEVEN CANYONS WATER TREATMENT COMPANY YEAR ENDING 12/31/2000

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2000)

\$ NONE

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

Seven Canyons Water Treatment Company is not billed for property taxes.

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE <u>R. Randy Stolworthy, President and CEO</u>
COMPANY NAME <u>SEVEN CANYONS WATER TREATMENT COMPANY</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2000</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2000 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ NONE

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ NONE
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

R. Randy Stolworthy
SIGNATURE OF OWNER OR OFFICIAL R. Randy Stolworthy, President
602-952-8836
TELEPHONE NUMBER

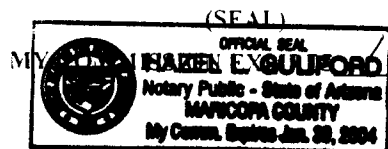
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 9th DAY OF

COUNTY NAME <u>Maricopa</u>	
MONTH <u>April</u>	<u>20 01</u>

Hazel E. Guliford
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) Maricopa	
NAME (OWNER OR OFFICIAL) R. Randy Stolworthy	TITLE President
COMPANY NAME SEVEN CANYONS WATER TREATMENT COMPANY	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.


SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2000 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ NONE

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ NONE
IN SALES TAXES BILLED, OR COLLECTED

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

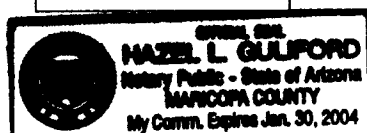
X 
SIGNATURE OF OWNER OR OFFICIAL
R. Randy Stolworthy, President

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 9th **DAY OF**

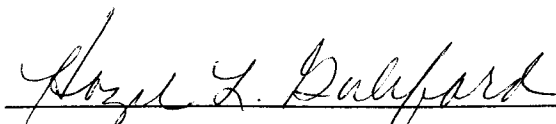
(SEAL)



MY COMMISSION EXPIRES

1-30-2004

NOTARY PUBLIC NAME	
COUNTY NAME Maricopa	
MONTH April	. 20 01

X 
SIGNATURE OF NOTARY PUBLIC